



DEPARTMENT OF VETERANS AFFAIRS

8320-01

Annual Pay Ranges for Physicians and Dentists of the Veterans Health Administration

AGENCY: Department of Veterans Affairs.

ACTION: Notice.

SUMMARY: As required by the “Department of Veterans Affairs Health Care Personnel Enhancement Act of 2004” (Pub. L. 108-445, dated December 3, 2004) the Department of Veterans Affairs (VA) is hereby giving notice of annual pay ranges for Veterans Health Administration (VHA) physicians and dentists as prescribed by the Secretary for VA-wide applicability. These annual pay ranges are intended to enhance VA flexibility to recruit, develop, and retain the most highly qualified providers to serve our Nation’s veterans and maintain a standard of excellence in the VA healthcare system.

DATES: EFFECTIVE DATE: The annual pay ranges listed in this notice are effective November 30, 2014.

FOR FURTHER INFORMATION CONTACT: Debra Doty, HR Specialist/Title 38 Program Manager, Compensation and Classification Service (055), Office of Human Resources Management, Department of Veterans Affairs, 810 Vermont Avenue, NW., Washington, DC 20420, (757) 728-3381. This is not a toll-free number.

SUPPLEMENTARY INFORMATION: Under 38 U.S.C. 7431(e)(1)(A), not less often than once every two years, the Secretary must prescribe for Department of Veterans Affairs (VA)-wide applicability the minimum and maximum amounts of annual pay that

may be paid to VHA physicians and dentists. Further, 38 U.S.C. 7431(e)(1)(B) allows the Secretary to prescribe separate minimum and maximum amounts of pay for a specialty or assignment. In construction of the annual pay ranges, 38 U.S.C. 7431(c)(4)(A) requires the consultation of two or more national surveys of pay for physicians and dentists, as applicable, whether prepared by private, public, or quasi-public entities in order to make a general assessment of the range of pays payable to physicians and dentists. Lastly, 38 U.S.C. 7431(e)(1)(C) states amounts prescribed under paragraph 7431(e) shall be published in the Federal Register, and shall not take effect until at least 60 days after date of publication.

Background

The “Department of Veterans Affairs Health Care Personnel Enhancement Act of 2004” (Pub. L. 108-445) was signed by the President on December 3, 2004. The major provisions of the law established a new pay system for VA’s Veterans Health Administration (VHA) physicians and dentists consisting of base pay, market pay, and performance pay. While the base pay component is set by statute, market pay is intended to reflect the recruitment and retention needs for the specialty or assignment of a particular physician or dentist at a facility. Further, performance pay is intended to recognize the achievement of specific goals and performance objectives prescribed annually. These three components create a system of pay that is driven by both market indicators and employee performance, while recognizing employee tenure in VA.

Discussion

VA identified and utilized salary survey data sources which most closely represent VA comparability in the areas of practice setting, employment environment, and hospital/health care system. The Association of American Medical Colleges (AAMC), Hospital and Healthcare Compensation Service (HHCS), Sullivan, Cotter, and Associates (S&C), Medical Group Management Association (MGMA), Physician Executive Management Center (PEMC), and the Survey of Dental Practice published by the American Dental Association (ADA) were collectively utilized as benchmarks from which to prescribe annual pay ranges for physicians and dentists across the scope of assignments/specialties within VA. While aggregating the data, a preponderance of weight was given to those surveys which most directly resembled the environment of VA.

In constructing annual pay ranges to accommodate the more than forty physician and dentist specialties that currently exist in the VA system, VA continued the practice of grouping specialties into consolidated pay ranges. This allows VA to use multiple sources that yield a high number of physician salary data which helps to minimize disparities and aberrations that may surface from data involving smaller numbers of physicians and dentists for comparison and from sample change from year to year. Thus, by aggregating multiple survey sources into like groupings, greater confidence exists that the average compensation reported is truly representative. In addition, aggregation of data provides for a large enough sample size and provides pay ranges

with maximum flexibility for pay setting for the more than 25,000 VHA physicians and dentists.

In developing the annual pay ranges, a few distinctive principles were factored into the compensation analysis of the data. The first principle is to ensure that both the minimum and maximum salary is at a level that accommodates special employment situations, from fellowships and medical research career development awards to Nobel Laureates, high-cost areas, and internationally renowned clinicians. The second principle, to attempt to establish a rate range of +/- 25 percent of the mean, is imperative to provide ranges large enough to accommodate career progression, geographic differences, sub-specialization, and special factors. This principle is also the standard recommended by World@Work for professional compensation ranges.

All clinical specialties for VHA physicians and dentists were reviewed against relevant private sector data. The specialties are grouped into five clinical pay ranges that reflect comparable complexity in salary, recruitment, and retention considerations. Two additional pay ranges apply to VHA Chiefs of Staff and physicians and dentists in executive level administrative assignments at the facility, network, or headquarters level.

PAY TABLE 1 - CLINICAL SPECIALTY

TIER LEVEL	MINIMUM	MAXIMUM
TIER 1	\$98,967	\$215,000
TIER 2	\$110,000	\$230,000
TIER 3	\$120,000	\$255,000

PAY TABLE 1 - COVERED CLINICAL SPECIALTIES

Allergy and Immunology
 Compensation and Pension
 Endocrinology
 Geriatrics
 Infectious Diseases
 Internal Medicine / Primary Care / Family Practice
 Neurology
 Preventive Medicine
 Rheumatology
 General Practice - Dentistry
 Endodontics
 Periodontics
 Prosthodontics
 All other specialties or assignments that do not require a specific specialty

PAY TABLE 2 - CLINICAL SPECIALTY

TIER LEVEL	MINIMUM	MAXIMUM
TIER 1	\$98,967	\$240,000
TIER 2	\$115,000	\$250,000
TIER 3	\$130,000	\$260,000

PAY TABLE 2 - COVERED CLINICAL SPECIALTIES

Critical Care
 Emergency Medicine
 Gynecology
 Hematology – Oncology
 Hospitalist
 Nephrology
 Pathology
 PM&R / SCI
 Psychiatry
 Pulmonary

PAY TABLE 3 - CLINICAL SPECIALTY

TIER LEVEL	MINIMUM	MAXIMUM
TIER 1	\$98,967	\$300,000
TIER 2	\$120,000	\$310,000
TIER 3	\$135,000	\$320,000

PAY TABLE 3 - COVERED CLINICAL SPECIALTIES

Cardiology (Non-invasive)
Dermatology
Gastroenterology
Nuclear Medicine
Ophthalmology
Oral Surgery
Otolaryngology

PAY TABLE 4 - CLINICAL SPECIALTY

TIER LEVEL	MINIMUM	MAXIMUM
TIER 1	\$98,967	\$325,000
TIER 2	\$125,000	\$340,000
TIER 3	\$140,000	\$355,000

PAY TABLE 4 - COVERED CLINICAL SPECIALTIES

Anesthesiology
Cardiology (Invasive / Non-Interventional)
General Surgery
Plastic Surgery
Radiology (Non-Invasive)
Urology
Vascular Surgery

PAY TABLE 5 - CHIEF OF STAFF

TIER LEVEL	MINIMUM	MAXIMUM
TIER 1	\$150,000	\$300,000
TIER 2	\$145,000	\$280,000
TIER 3	\$140,000	\$260,000

PAY TABLE 5 – COVERED ASSIGNMENTS

VHA Chiefs of Staff
Deputy Chiefs of Staff (Complexity Level 1a and 1b facilities only)

PAY TABLE 6 - EXECUTIVE ASSIGNMENTS

TIER LEVEL	MINIMUM	MAXIMUM
TIER 1	\$145,000	\$265,000
TIER 2	\$145,000	\$245,000
TIER 3	\$130,000	\$235,000

PAY TABLE 6 - COVERED EXECUTIVE ASSIGNMENTS

Principal Deputy Under Secretary for Health, Deputy Under Secretary for Health, Chief Officer, Network Director, Medical Center Director, Network Chief Officer, Executive Director, Assistant Deputy Under Secretary for Health, VA Central Office Chief Consultant, National Director, National Program Manager, and other VA Central Office Physician/Dentist.

PAY TABLE 7 - CLINICAL SPECIALTY

TIER LEVEL	MINIMUM	MAXIMUM
TIER 1	\$98,967	\$375,000
TIER 2	\$140,000	\$385,000

PAY TABLE 7 - COVERED CLINICAL SPECIALTIES

Cardio-Thoracic Surgery
Interventional Cardiology
Interventional Radiology
Neurosurgery
Orthopedic Surgery

SIGNING AUTHORITY: The Secretary of Veterans Affairs approved this document and authorized the undersigned to sign and submit the document to the Office of the Federal Register for publication electronically as an official document of the Department of Veterans Affairs. Robert A. McDonald, Secretary, Department of Veterans Affairs, approved this document on September 3, 2014, for publication.

Dated: September 12, 2014.

William F. Russo,
Deputy Director,
Office of Regulation Policy & Management,
Office of the General Counsel,
U.S. Department of Veterans Affairs.

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